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106TH CONGRESS
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H. R. 4717

[Report No. 106-]

To amend the Internal Revenue Code of 1986 to require 527 organizations and certain other tax-exempt organizations to disclose their political activities.

IN THE HOUSE OF REPRESENTATIVES

JUNE 22, 2000

Mr. HOUGHTON (for himself, Mr. ENGLISH, Mrs. JOHNSON of Connecticut, Mr. CASTLE, Mr. MCINNIS, Mr. COX, Mr. RAMSTAD, Mr. SMITH of Michigan, Mr. SHAW, Mr. OSE, Mr. FRELINGHUYSEN, and Mr. WALDEN of Oregon) introduced the following bill; which was referred to the Committee on Ways and Means

JUNE , 2000

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italics]

[For text of introduced bill, see copy of bill as introduced on June 22, 2000]

A BILL

To amend the Internal Revenue Code of 1986 to require 527 organizations and certain other tax-exempt organizations to disclose their political activities.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 *This Act may be cited as the “Full and Fair Political*
3 *Activity Disclosure Act of 2000”.*

4 **SEC. 2. INCREASED REPORTING OF POLITICAL ACTIVITIES.**

5 (a) *IN GENERAL.*—Subpart A of part III of subchapter
6 *A of chapter 61 of the Internal Revenue Code of 1986 (relat-*
7 *ing to information concerning persons subject to special*
8 *provisions) is amended by inserting after section 6033 the*
9 *following new section:*

10 **“SEC. 6033A. RETURNS RELATING TO POLITICAL ACTIVI-**
11 **TIES.**

12 “(a) *GENERAL REPORTING REQUIREMENTS.*—

13 “(1) *IN GENERAL.*—Every organization to which
14 *this subsection applies for a reporting period shall*
15 *submit a return to the Secretary for such period.*
16 *Such return shall include—*

17 “(A) *a detailed description of such organi-*
18 *zation’s disclosable activities during the report-*
19 *ing period and the purpose and intended results*
20 *for the major categories of expenditures for such*
21 *activities, including the candidates intended to*
22 *be affected,*

23 “(B) *a list identifying—*

24 “(i) *each expenditure made for a*
25 *disclosable activity during the reporting pe-*

1 *riod in an amount in excess of the threshold*
2 *amount, and*

3 *“(ii) the name and address of each per-*
4 *son to whom the organization made any ex-*
5 *penditure required to be reported under*
6 *clause (i), and*

7 *“(C) in the case of a reportable*
8 *contributor—*

9 *“(i) the name and address of the con-*
10 *tributor (and, if the contributor is an indi-*
11 *vidual, the contributor’s occupation and em-*
12 *ployer),*

13 *“(ii) the aggregate amount of contribu-*
14 *tions made by such contributor,*

15 *“(iii) the name and address of the per-*
16 *son (if any) on whose behalf the contributor*
17 *made any payment to such organization,*
18 *and*

19 *“(iv) if any payment by the contrib-*
20 *utor was designated for a beneficiary other*
21 *than such organization (including amounts*
22 *which are in any way earmarked or other-*
23 *wise directed through an intermediary), the*
24 *name and address of the intended bene-*
25 *ficiary.*

1 *The information required under the preceding sen-*
2 *tence for any reporting period shall be set forth sepa-*
3 *rately for such period and in the aggregate for such*
4 *period and preceding reporting periods during the*
5 *calendar year.*

6 “(2) *ORGANIZATIONS TO WHICH SUBSECTION AP-*
7 *PLIES.—This subsection shall apply to any organiza-*
8 *tion described in or subject to section 527 if—*

9 “(A) *such organization is described in para-*
10 *graph (4), (5), or (6) of section 501(c), or*

11 “(B) *such organization is a 527 organiza-*
12 *tion.*

13 “(3) *EXCEPTION FOR NON-527 ORGANIZATIONS*
14 *HAVING AGGREGATE DISCLOSABLE EXPENDITURES OF*
15 *LESS THAN \$10,000.—This subsection shall not apply*
16 *to an organization described in paragraph (2)(A) for*
17 *any reporting period if the aggregate expenditures of*
18 *the organization for disclosable activities during the*
19 *period beginning on January 1 of the calendar year*
20 *in which the reporting period begins and ending on*
21 *the last day of the reporting period are less than*
22 *\$10,000.*

23 “(4) *REPORTABLE CONTRIBUTOR.—*

24 “(A) *IN GENERAL.—For purposes of para-*
25 *graph (1), the term ‘reportable contributor’*

1 *means any person if the aggregate of the con-*
2 *tributions and membership dues, fees, and assess-*
3 *ments (within the meaning of section 527) re-*
4 *ceived by the organization from such person dur-*
5 *ing the testing period exceeds the threshold*
6 *amount.*

7 *“(B) EXCEPTION FOR DUES NOT ATTRIB-*
8 *UTABLE TO DISCLOSABLE ACTIVITIES.—*

9 *“(i) IN GENERAL.—At the election of*
10 *the organization, the only dues taken into*
11 *account under subparagraph (A) shall be*
12 *dues attributable to expenditures for*
13 *disclosable activities.*

14 *“(ii) PORTION OF DUES ATTRIBUTABLE*
15 *TO DISCLOSABLE ACTIVITIES.—For purposes*
16 *of clause (i), the portion of dues attributable*
17 *to expenditures for disclosable activities of*
18 *an organization is the amount which bears*
19 *the same ratio to the total amount of dues*
20 *as the expenditures of the organization*
21 *which are disclosable under paragraph (1)*
22 *for the testing period bears to the total ex-*
23 *penditures of the organization for such pe-*
24 *riod.*

1 “(C) *TESTING PERIOD.*—For purposes of
2 this paragraph, the term ‘testing period’ means,
3 with respect to any reporting period, the
4 period—

5 “(i) beginning on January 1 of the
6 calendar year in which the reporting period
7 begins, and

8 “(ii) ending on the last day of the re-
9 porting period.

10 “(5) *SPECIAL RULE FOR EARMARKED CONTRIBU-*
11 *TIONS DEPOSITED INTO A SEGREGATED DISCLOSABLE*
12 *ACTIVITIES FUND.*—

13 “(A) *IN GENERAL.*—In the case of an orga-
14 nization described in paragraph (4), (5), or (6)
15 of section 501(c), paragraph (1)(C) shall apply
16 only with respect to amounts received which are
17 earmarked for a disclosable activity if the orga-
18 nization elects—

19 “(i) to maintain a segregated
20 disclosable activities fund,

21 “(ii) to deposit into such fund only
22 and all amounts received by such organiza-
23 tion which are earmarked by the contributor
24 for a disclosable activity, and

1 “(iii) to make no expenditures for
2 disclosable activities other than from such
3 fund.

4 In the case of such a fund, subsection (d) shall
5 not apply and the threshold amount shall be
6 \$1,000.

7 “(B) NONCOMPLIANCE.—In the case of an
8 organization with respect to which an election is
9 in effect under subparagraph (A) and which fails
10 to comply with a requirement in subparagraph
11 (A) during any reporting period, subparagraph
12 (A) shall not apply to such period or any subse-
13 quent reporting period during the calendar year
14 in which such period begins.

15 “(C) DE MINIMIS EXPENDITURES.—Failures
16 to meet the requirement of subparagraph (A)(iii)
17 with respect to de minimis amounts shall not be
18 treated as a failure to comply with such require-
19 ment.

20 “(6) THRESHOLD AMOUNT.—For purposes of this
21 section, the term ‘threshold amount’ means—

22 “(A) \$200 in the case of a 527 organization,
23 and

24 “(B) \$1,000 in any other case.

1 “(b) *DISCLOSABLE ACTIVITIES.*—*For purposes of this*
2 *section—*

3 “(1) *527 ORGANIZATIONS.*—*In the case of a 527*
4 *organization, the term ‘disclosable activities’ means*
5 *all activities of the organization.*

6 “(2) *OTHER ORGANIZATIONS.*—*In the case of an*
7 *organization described in paragraph (4), (5), or (6)*
8 *of section 501(c), the term ‘disclosable activities’*
9 *means—*

10 “(A) *a 527-type activity,*

11 “(B) *establishing, administering, or solici-*
12 *ting contributions to a 527 organization,*

13 “(C) *contributing directly or indirectly to a*
14 *527 organization,*

15 “(D) *contributing directly or indirectly to*
16 *an organization which is described in paragraph*
17 *(4), (5), or (6) of section 501(c) and which is re-*
18 *quired to file a return under this section for the*
19 *year in which the contribution is received or for*
20 *any of the 3 preceding years (or would be re-*
21 *quired to file such a return had this section been*
22 *in effect for such years), and*

23 “(E) *any mass media communication (in-*
24 *cluding any mass mailing) which is not a 527-*
25 *type activity and which—*

1 “(i) mentions a clearly identified can-
2 didate for election for Federal office (includ-
3 ing any individual who has formed an ex-
4 ploratory committee for such election) or the
5 political party of such candidate, or

6 “(ii) contains the picture or other like-
7 ness of such candidate.

8 “(3) EXCEPTION FOR COMMUNICATION WITH
9 MEMBERS.—Subparagraph (E) of paragraph (2) shall
10 not apply to communication with bona fide members
11 of the organization unless such communication urges
12 such members to communicate with another person or
13 to take an action as a result of such communication.

14 “(c) ADDITIONAL INFORMATION FROM 527 ORGANIZA-
15 TIONS.—

16 “(1) STATEMENT OF ORGANIZATION.—

17 “(A) IN GENERAL.—Every 527 organization
18 shall file a statement of organization with the
19 Secretary (in such form and manner as the Sec-
20 retary shall prescribe) which contains the infor-
21 mation described in subparagraph (B). Such
22 statement shall be filed not later than 10 days
23 after the date that such organization is estab-
24 lished (or, in the case of an organization in ex-
25 istence on the date of the enactment of this sec-

1 *tion, not later than 10 days after such date of*
2 *enactment).*

3 “(B) *STATEMENT OF ORGANIZATION.—The*
4 *information described in this subparagraph is—*

5 “(i) *the name and address of the 527*
6 *organization,*

7 “(ii) *the name, address, relationship,*
8 *and type of any person which is directly or*
9 *indirectly related to or affiliated with such*
10 *527 organization,*

11 “(iii) *the name, address, and position*
12 *of the custodian of books and accounts of the*
13 *527 organization,*

14 “(iv) *the name and address of the*
15 *treasurer of the 527 organization, and*

16 “(v) *a listing of all banks, safety de-*
17 *posit boxes, and other depositories used by*
18 *the 527 organization.*

19 “(C) *CHANGES IN INFORMATION.—If there*
20 *is a change in circumstances such that the most*
21 *recent statement filed under this paragraph is no*
22 *longer accurate, the 527 organization shall file a*
23 *corrected statement with the Secretary (in such*
24 *manner as the Secretary shall prescribe) not*

1 *later than 10 days after the date that the state-*
2 *ment first ceased to be accurate.*

3 “(D) *RELATED AND AFFILIATED PER-*
4 *SONS.—For purposes of subparagraph (B)(ii), a*
5 *person is directly or indirectly related to or af-*
6 *filiated with a 527 organization if such person,*
7 *at any time during the 3-year period ending on*
8 *the date such statement is submitted to the*
9 *Secretary—*

10 “(i) *was in a position to exercise sub-*
11 *stantial direct or indirect influence over the*
12 *process of collecting or disbursing the ex-*
13 *empt purpose funds of such organization, or*

14 “(ii) *was in a position to exercise sub-*
15 *stantial, overall direct or indirect influence*
16 *over the activities of such organization.*

17 “(2) *OTHER INFORMATION.—*

18 “(A) *IN GENERAL.—In addition to the in-*
19 *formation required by subsection (a), every 527*
20 *organization shall include the information de-*
21 *scribed in subparagraph (B) on the return re-*
22 *quired under subsection (a).*

23 “(B) *INFORMATION DESCRIBED.—The infor-*
24 *mation described in this subparagraph is—*

1 “(i) a certification, under penalty of
2 perjury, whether such expenditure is made
3 in cooperation, consultation, or concert
4 with, or at the request or suggestion of, any
5 candidate for public office or any author-
6 ized committee of such candidate or agent of
7 such committee or candidate,

8 “(ii) the name, address, and business
9 purpose of any entity, as well as whether
10 the entity purports to be exempt from tax
11 under this title and (if so) the provision
12 under which the entity purports to be so ex-
13 empt, which made (in the aggregate for the
14 reporting period) a contribution in excess of
15 the threshold amount to the 527 organiza-
16 tion, and

17 “(iii) the original source and the in-
18 tended ultimate recipient of all contribu-
19 tions made by a person, either directly or
20 indirectly, on behalf of any particular per-
21 son, including contributions which are in
22 any way earmarked or otherwise directed
23 through any intermediary.

24 “(d) REPORTING PERIODS AND DUE DATES FOR RE-
25 TURNS AND STATEMENTS.—

1 “(1) *IN GENERAL.*—*The reporting periods and*
2 *deadlines for filing returns and statements required*
3 *by this section shall be—*

4 “(A) *determined under paragraph (2), (3),*
5 *or (4), whichever is selected by the reporting or-*
6 *ganization, and*

7 “(B) *in the case of disclosable activities*
8 *which are independent expenditures, determined*
9 *under paragraph (5).*

10 “(2) *QUARTERLY REPORTS, ETC.*—

11 “(A) *CALENDAR YEARS HAVING A REGU-*
12 *LARLY SCHEDULED ELECTION.*—*In the case of a*
13 *calendar year in which a regularly scheduled*
14 *election is held—*

15 “(i) *QUARTERLY REPORTS.*—

16 “(I) *PERIOD.*—*The reporting pe-*
17 *riods shall be the calendar quarters be-*
18 *ginning with the first quarter of the*
19 *calendar year in which a contribution*
20 *is accepted or expenditure is made for*
21 *a disclosable activity.*

22 “(II) *FILING DEADLINE.*—*Reports*
23 *under this clause shall be filed not*
24 *later than the 15th day after the last*
25 *day of each calendar quarter; except*

1 *that the report for the quarter ending*
2 *on December 31 of such calendar year*
3 *shall be filed not later than January*
4 *31 of the following calendar year.*

5 “(ii) *PRE-ELECTION REPORT.*—

6 “(I) *PERIOD.*—A pre-election re-
7 *port with respect to an election shall be*
8 *filed for the period ending on the 20th*
9 *day before the election and beginning*
10 *on the first day of the calendar quarter*
11 *which includes such 20th day.*

12 “(II) *FILING DEADLINE.*—A pre-
13 *election report shall be filed not later*
14 *than the 12th day before (or posted by*
15 *registered or certified mail not later*
16 *than the 15th day before) any election*
17 *with respect to which the organization*
18 *makes a contribution or expenditure*
19 *for a disclosable activity.*

20 “(iii) *POST-GENERAL ELECTION RE-*
21 *PORT.*—

22 “(I) *PERIOD.*—A post-general
23 *election report with respect to an elec-*
24 *tion shall be filed for the period ending*
25 *on the 20th day after the election and*

1 *beginning on the first day of the cal-*
2 *endar quarter which includes such 20th*
3 *day.*

4 *“(II) FILING DEADLINE.—A post-*
5 *general election report shall be filed not*
6 *later than the 30th day after the gen-*
7 *eral election.*

8 *“(B) OTHER CALENDAR YEARS.—In the*
9 *case of any other calendar year—*

10 *“(i) SEMIANNUAL REPORTS.—The re-*
11 *porting periods shall be—*

12 *“(I) the 1st 6 months of the cal-*
13 *endar year, and*

14 *“(II) the 2d 6 months of such*
15 *year.*

16 *“(ii) FILING DEADLINES.—The report*
17 *for the period described in clause (i)(I) shall*
18 *be filed no later than July 31, and the re-*
19 *port for the period described in clause*
20 *(i)(II) shall be filed no later than January*
21 *31 of the following calendar year.*

22 *“(C) SPECIAL ELECTIONS.—The Secretary*
23 *shall set filing dates for reports to be filed with*
24 *respect to organizations filing under this para-*
25 *graph with respect to special elections. The Sec-*

1 retary shall require no more than one pre-elec-
2 tion report for each election and one post-election
3 report for the election which fills the vacancy.
4 The Secretary may waive any reporting obliga-
5 tion of organizations required to file for special
6 elections if any report required by this para-
7 graph is required to be filed within 10 days of
8 a report required under this subparagraph. The
9 Secretary shall establish the reporting dates
10 within 5 days of the setting of such election.

11 “(D) EXCEPTION FROM QUARTERLY RE-
12 PORT.—The requirement to file a quarterly re-
13 port under subparagraph (A)(i) for a calendar
14 quarter shall be waived if the organization is re-
15 quired to file a pre-election report under sub-
16 paragraph (A)(ii) during the period beginning
17 on the 5th day after the close of the calendar
18 quarter and ending on the 15th day after the
19 close of the calendar quarter.

20 “(3) MONTHLY REPORTS, ETC.—

21 “(A) PERIOD.—The reporting periods shall
22 be monthly for all calendar years beginning with
23 the first month of the calendar year in which a
24 contribution is accepted or expenditure is made
25 for a disclosable activity.

1 “(B) *FILING DEADLINE.*—*Reports under*
2 *this paragraph shall be filed not later than the*
3 *20th day after the last day of the month.*

4 “(C) *REPORTS IN LIEU OF NOVEMBER AND*
5 *DECEMBER REPORTS DURING ELECTION*
6 *YEARS.*—*In lieu of filing the reports otherwise*
7 *due under this paragraph in November and De-*
8 *cember of any year in which a regularly sched-*
9 *uled general election is held—*

10 “(i) *a pre-general election report shall*
11 *be filed in accordance with paragraph*
12 *(2)(A)(ii),*

13 “(ii) *a post-general election report*
14 *shall be filed in accordance with paragraph*
15 *(2)(A)(iii), and*

16 “(iii) *a year-end report shall be filed*
17 *not later than January 31 of the following*
18 *calendar year.*

19 “(4) *CERTAIN ORGANIZATIONS FILE ANNU-*
20 *ALLY.*—

21 “(A) *IN GENERAL.*—*In the case of a 527 or-*
22 *ganization described in subparagraph (B)—*

23 “(i) *the reporting period shall be such*
24 *organization’s taxable year, and*

1 “(ii) the due date for the returns and
2 statements required by this section shall be
3 the due date (without regard to extensions)
4 for filing the return of tax for such year,
5 whether or not such organization is required
6 to file a return for such taxable year.

7 “(B) ORGANIZATION DESCRIBED.—An orga-
8 nization is described in this subparagraph if
9 such organization is a 527 organization which is
10 organized and operated exclusively for the pur-
11 pose of securing the nomination, election, or ap-
12 pointment of a clearly identified candidate for
13 State, local, or judicial office.

14 “(5) REPORTING OF INDEPENDENT EXPENDI-
15 TURES.—

16 “(A) IN GENERAL.—In the case of a
17 disclosable activity which is an independent ex-
18 penditure by an organization to which subsection
19 (a) applies, the organization shall file the state-
20 ment described in subparagraph (B).

21 “(B) STATEMENT.—The statement described
22 in this subparagraph is a statement (filed in ac-
23 cordance with paragraph (1)(A) unless subpara-
24 graph (C) applies) which includes the informa-

1 *tion required under subsection (a)(1) with re-*
2 *spect to such independent expenditure.*

3 “(C) *SEPARATE REPORTING WITH RESPECT*
4 *TO INDEPENDENT EXPENDITURES MADE WITHIN*
5 *20 DAYS OF ELECTION.—The statement required*
6 *by subparagraph (B) in the case of a disclosable*
7 *activity which is an independent expenditure de-*
8 *scribed in subparagraph (A) aggregating \$1,000*
9 *or more made after the 20th day, but more than*
10 *24 hours, before any election shall be filed within*
11 *24 hours after such independent expenditure is*
12 *made. Such statement shall be filed with the Sec-*
13 *retary.*

14 “(e) *DEFINITIONS.—For purposes of this section—*

15 “(1) *527 ORGANIZATION.—The term ‘527 organi-*
16 *zation’ means any political organization (as defined*
17 *by section 527(e)(1)).*

18 “(2) *527-TYPE ACTIVITY.—The term ‘527-type*
19 *activity’ means influencing or attempting to influence*
20 *the selection, nomination, election, or appointment of*
21 *any individual to any Federal, State, or local public*
22 *office or office in a political organization, or the elec-*
23 *tion of Presidential or Vice-Presidential electors,*
24 *whether or not such individual or electors are selected,*
25 *nominated, elected, or appointed. Such term includes*

1 *the making of expenditures relating to an office de-*
2 *scribed in the preceding sentence which, if incurred*
3 *by the individual, would be allowable as a deduction*
4 *under section 162(a).*

5 “(3) CONTRIBUTIONS.—*The term ‘contributions’*
6 *has the meaning given to such term by section*
7 *271(b)(2).*

8 “(4) EXPENDITURES.—*The term ‘expenditures’*
9 *has the meaning given to such term by section*
10 *271(b)(3).*

11 “(f) SPECIAL RULES.—

12 “(1) ELECTRONIC FILING.—*The Secretary shall*
13 *develop procedures for submission in electronic form*
14 *of returns and statements required to be filed under*
15 *this section.*

16 “(2) PAPERWORK AND BURDEN REDUCTION FOR
17 *ORGANIZATIONS OTHERWISE DISCLOSING INFORMA-*
18 *TION.—An organization shall not be required to file*
19 *any return or statement under this section for any*
20 *period if, with respect to such period, such organiza-*
21 *tion submits to the Secretary, under penalty of per-*
22 *jury, a certified statement that the organization has*
23 *made a filing, which is publicly available, with an-*
24 *other Federal agency which includes all of the infor-*
25 *mation required to be included in such return or*

1 *statement and which specifies the public location*
2 *where such information may be found.”.*

3 ***(b) PUBLIC INSPECTION OF RETURNS AND STATE-***
4 ***MENTS.—***

5 ***(1) IN GENERAL.—****Section 6104 of such Code (re-*
6 *lating to publicity of information required from cer-*
7 *tain exempt organizations and certain trusts) is*
8 *amended by adding at the end the following new sub-*
9 *section:*

10 ***“(e) INSPECTION OF DOCUMENTS RELATING TO POLIT-***
11 ***ICAL ACTIVITIES OF CERTAIN 501(c) ORGANIZATIONS AND***
12 ***527 ORGANIZATIONS.—***

13 ***“(1) IN GENERAL.—****In the case of any organiza-*
14 *tion required to submit a document under section*
15 ***6033A—***

16 ***“(A) a copy of such document shall be made***
17 *available by such organization for inspection*
18 *during regular business hours by any individual*
19 *at the principal office of such organization and,*
20 *if such organization regularly maintains 1 or*
21 *more regional or district offices having 3 or more*
22 *employees, at each such regional or district of-*
23 ***fice, and***

24 ***“(B) upon request of an individual made at***
25 *such principal office or such a regional or dis-*

1 *strict office, a copy of such document shall be pro-*
2 *vided to such individual without charge other*
3 *than a reasonable fee for any reproduction and*
4 *mailing costs.*

5 *The request described in subparagraph (B) must be*
6 *made in person or in writing. If such request is made*
7 *in person, such copy shall be provided immediately*
8 *and, if made in writing, shall be provided within 30*
9 *days.*

10 “(2) *ANNUAL INCOME TAX RETURNS OF 527 OR-*
11 *GANIZATIONS.—In the case of an organization re-*
12 *quired to file a return under section 6012(a)(6), the*
13 *requirements of paragraph (1) shall also apply to*
14 *such return.*

15 “(3) *TIMELY AVAILABILITY.—*

16 “(A) *IN GENERAL.—Except as provided in*
17 *subparagraph (B), documents required to be*
18 *available under this subsection shall be available*
19 *no later than 2 business days after being filed.*

20 “(B) *EXCEPTION.—Subparagraph (A) shall*
21 *not apply to—*

22 “(i) *any document filed under section*
23 *6033A with respect to an annual period,*
24 *and*

1 “(ii) any return filed under section
2 6012(a)(6).

3 “(4) 3-YEAR LIMITATION ON INSPECTION DOCU-
4 MENTS.—Paragraphs (1) and (2) shall apply to any
5 document only during the 3-year period beginning on
6 the last day prescribed for its filing (determined with
7 regard to any extension of time for filing).

8 “(5) LIMITATION ON PROVIDING COPIES.—A rule
9 similar to the rule of subsection (d)(4) shall apply for
10 purposes of this subsection.”.

11 (2) INSPECTION OF INFORMATION RETURNS AND
12 INCOME TAX RETURNS OF POLITICAL ORGANIZA-
13 TIONS.—Subsection (b) of section 6104 of such Code
14 (relating to inspection of annual information returns)
15 is amended to read as follows:

16 “(b) INSPECTION OF INFORMATION RETURNS AND IN-
17 COME TAX RETURNS OF POLITICAL ORGANIZATIONS.—

18 “(1) IN GENERAL.—The information required to
19 be furnished by sections 6033, 6033A, 6034, and 6058
20 (together with the names and addresses of such orga-
21 nizations and trusts) and returns filed under section
22 6012(a)(6) shall be made available to the public at
23 such times and in such places as the Secretary may
24 prescribe.

25 “(2) EXCEPTIONS.—

1 “(A) *NONDISCLOSURE OF NAMES AND AD-*
2 *DRESSES OF CONTRIBUTORS.*—

3 “(i) *IN GENERAL.*—*Nothing in this*
4 *subsection shall authorize the Secretary to*
5 *disclose the name or address of any contrib-*
6 *utor to any organization or trust which is*
7 *required to furnish such information.*

8 “(ii) *EXCEPTION.*—*Clause (i) shall not*
9 *apply to a private foundation (as defined*
10 *in section 509(a)), a 527 organization (as*
11 *defined in section 6033A(e)), or information*
12 *on a return under section 6033A(a) of an*
13 *organization described in paragraph (4),*
14 *(5) or (6) of section 501(c).*

15 “(B) *RELIGIOUS AND APOSTOLIC ORGANIZA-*
16 *TIONS.*—*In the case of an organization described*
17 *in section 501(d), this subsection shall not apply*
18 *to copies referred to in section 6031(b) with re-*
19 *spect to such organization.*

20 “(3) *SPECIAL RULES FOR INFORMATION UNDER*
21 *SECTION 6033A.*—

22 “(A) *TIMELY AVAILABILITY.*—*Documents*
23 *filed under section 6033A (other than with re-*
24 *spect to an annual period) shall be available*

1 *under paragraph (1) no later than 2 business*
2 *days after being filed.*

3 “(B) *AVAILABILITY ON WORLD WIDE WEB.*—
4 *To the extent practicable, documents filed under*
5 *section 6033A shall also be made available to the*
6 *public on the world wide web.*

7 “(4) *COOPERATION WITH OTHER FEDERAL AGEN-*
8 *CIES.*—*The Secretary may cooperate with another*
9 *Federal agency to carry out the requirements of this*
10 *subsection with respect to returns and statements re-*
11 *quired to be filed under section 6033A.”.*

12 “(c) *PENALTIES FOR FAILURE TO FILE DOCUMENTS OR*
13 *PROVIDE PUBLIC INSPECTION OF DOCUMENTS.*—

14 (1) *PENALTY FOR FAILURE TO REPORT*
15 *DISCLOSABLE ACTIVITIES.*—*Subsection (c) of section*
16 *6652 of such Code is amended by redesignating para-*
17 *graphs (2), (3), and (4) as paragraphs (3), (4), and*
18 *(5), respectively, and by inserting after paragraph (1)*
19 *the following new paragraph:*

20 “(2) *INFORMATION UNDER SECTION 6033A.*—

21 “(A) *IN GENERAL.*—*In the case of—*

22 “(i) *a failure to file a document re-*
23 *quired under section 6033A (relating to re-*
24 *turns relating to political activities) at the*
25 *time and in the manner prescribed therefor*

1 *(determined without regard to any exten-*
2 *sion of time for filing), or*

3 *“(ii) a failure to include any of the in-*
4 *formation required to be shown on such a*
5 *return or statement or to show the correct*
6 *information,*

7 *there shall be paid by the organization an*
8 *amount equal to the rate of tax specified in sec-*
9 *tion 527(b)(1) multiplied by the amount to*
10 *which the failure relates.*

11 *“(B) PUBLIC INSPECTION.—In the case of a*
12 *failure to comply with the requirements of sec-*
13 *tion 6104(e) at the time and in the manner pre-*
14 *scribed therefor (determined without regard to*
15 *any extension of time for filing), there shall be*
16 *paid by the person failing to meet such require-*
17 *ments \$20 for each day during which such fail-*
18 *ure continues. The maximum penalty imposed*
19 *under this subparagraph on all persons for fail-*
20 *ures with respect to any 1 statement shall not ex-*
21 *ceed \$10,000.*

22 *“(C) ADDITIONAL PENALTY ON MANAGERS*
23 *OF 527 ORGANIZATIONS.—*

24 *“(i) IN GENERAL.—The Secretary may*
25 *make a written demand on any 527 organi-*

1 *zation subject to penalty under subpara-*
2 *graph (A) specifying therein a reasonable*
3 *future date by which the return or state-*
4 *ment shall be filed (or the information fur-*
5 *nished) for purposes of this subparagraph.*

6 *“(ii) FAILURE TO COMPLY WITH DE-*
7 *MAND.—If any person fails to comply with*
8 *any demand under clause (i) on or before*
9 *the date specified in such demand, there*
10 *shall be paid by the person failing to so*
11 *comply \$10 for each day after the expira-*
12 *tion of the time specified in such demand*
13 *during which such failure continues. The*
14 *maximum penalty imposed under this sub-*
15 *paragraph on all persons for failures with*
16 *respect to any 1 statement shall not exceed*
17 *\$5,000.”.*

18 *(2) OTHER PENALTIES.—*

19 *(A) Section 6685 of such Code (relating to*
20 *assessable penalty with respect to public inspec-*
21 *tion requirements for certain tax-exempt organi-*
22 *zations) is amended—*

23 *(i) by striking “subsection (d)” and in-*
24 *serting “subsection (d) or (e)”, and*

1 (ii) by striking “return or applica-
2 tion” each place it appears and inserting
3 “return, application, or statement”.

4 (B) Section 7207 of such Code (relating to
5 fraudulent returns, statements, and other docu-
6 ments) is amended by striking “subsection (d)”
7 and inserting “subsection (d) or (e)”.

8 (d) CONFORMING AMENDMENTS.—

9 (1) Section 527 of such Code is amended by add-
10 ing at the end the following new subsection:

11 “(i) CROSS REFERENCES.—

**“(1) For reporting and inspection requirements, see
 sections 6033A and 6104.**

**“(2) For penalties for failure to file returns and
 statements, see sections 6652, 6685, and 7207.”.**

12 (2) The table of sections for subpart A of part III
13 of subchapter A of chapter 61 of such Code is amend-
14 ed by inserting after the item relating to section 6033
15 the following new item:

 “Sec. 6033A. Returns relating to political activities.”.

16 (e) EFFECTIVE DATES.—

17 (1) IN GENERAL.—Except as provided in para-
18 graph (2), the amendments made by this section shall
19 apply to——

20 (A) expenditures made and contributions
21 received with respect to disclosable activities in

1 *reporting periods beginning after the date of the*
2 *enactment of this Act, and*

3 *(B) expenditures made and contributions*
4 *received in annual reporting periods ending*
5 *after the date of the enactment of this Act, except*
6 *that only expenditures and contributions de-*
7 *scribed in subparagraph (A) shall be taken into*
8 *account.*

9 *(2) STATEMENT OF ORGANIZATION.—Paragraph*
10 *(1) of section 6033A(c) of the Internal Revenue Code*
11 *of 1986 (as added by this section) shall take effect on*
12 *the date of the enactment of this Act.*